



adhered to by all district employees.

In Report P-861.2, OAG recommends that the district continue to minimize the extent of the budgeted deficit for fiscal year 1988-89 by continuing to develop documented estimates of revenues, subsidies, and expenses for future budgets, and ensuring that those estimates are reliable.

COMMISSION ON CALIFORNIA STATE GOVERNMENT ORGANIZATION AND ECONOMY (LITTLE HOOVER COMMISSION)

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The Little Hoover Commission was created by the legislature in 1961 and became operational in the spring of 1962. (Government Code sections 8501 *et seq.*) Although considered to be within the executive branch of state government for budgetary purposes, the law states that "the Commission shall not be subject to the control or direction of any officer or employee of the executive branch except in connection with the appropriation of funds approved by the Legislature." (Government Code section 8502.)

Statute provides that no more than seven of the thirteen members of the Commission may be from the same political party. The Governor appoints five citizen members, and the legislature appoints four citizen members. The balance of the membership is comprised of two Senators and two Assemblymembers.

This unique formulation enables the Commission to be California's only truly independent watchdog agency. However, in spite of its statutory independence, the Commission remains a purely advisory entity only empowered to make recommendations.

The purpose and duties of the Commission are set forth in Government Code section 8521. The Code states: "It is the purpose of the Legislature in creating the Commission, to secure assistance for the Governor and itself in promoting economy, efficiency and improved service in the transaction of the public business in the various departments, agencies, and instrumentalities of the executive branch of the state government, and in making the operation of all state departments, agencies, and instru-

mentalities and all expenditures of public funds, more directly responsive to the wishes of the people as expressed by their elected representatives...."

The Commission seeks to achieve these ends by conducting studies and making recommendations as to the adoption of methods and procedures to reduce government expenditures, the elimination of functional and service duplication, the abolition of unnecessary services, programs and functions, the definition or redefinition of public officials' duties and responsibilities, and the reorganization and or restructuring of state entities and programs.

MAJOR PROJECTS:

Reports in Progress. The Little Hoover Commission has undertaken the following studies and expects to release reports as indicated below:

-The Commission's report on the role and functions of the state's boards, commissions, and authorities, including an analysis of their efficiency, necessity, and effectiveness, was scheduled for release in June. (See CRLR Vol. 9, No. 2 (Spring 1989) p. 39 for background information.)

-No release date has been scheduled for the Commission's ongoing report on California's K-12 public school system. That report will focus on education funding (including monies generated from Proposition 98) and fiscal accountability of schools. Similarly, no release date has been announced for the Commission's separate report on special funds (as distinguished from state general funds) for education.

-On March 16, the Commission conducted a follow-up public hearing to review the state's management of real property and the progress made since the March 1986 release of its report entitled *California State Government's Management of Real Property*. No date has been scheduled for issuance of the follow-up report.

-Another follow-up public hearing was held on April 28 to review the state's telecommunication system and the newly proposed CALNET system, which will result in the state acting as its own long distance telephone company at a cost of up to \$150 million. A Commission spokesperson recently stated that information is still being gathered and that no release date has yet been set for the report.

-A study of the state's management of solid waste is also in progress, with no scheduled report date.

-The Commission recently began a new study to review the structure and

operations of the Department of Fish and Game, including regulatory aspects, and held its first related public hearing on May 15. No date has been set for this report's release.

DEPARTMENT OF CONSUMER AFFAIRS

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In addition to its functions relating to its forty boards, bureaus and commissions, the Department of Consumer Affairs (DCA) is charged with the responsibility of carrying out the provisions of the Consumer Affairs Act of 1970. In this regard, the Department educates consumers, assists them in complaint mediation, advocates their interests in the legislature, and represents them before the state's administrative agencies and courts.

MAJOR PROJECTS:

Statewide Inventory of Local Dispute Resolution Programs. The Institute for Judicial Administration (IJA), a national judicial research institute, is conducting statewide surveys of programs that provide alternative dispute resolution services directly or indirectly to the court systems in several states, including California.

As the oversight agency for the California Dispute Resolution Programs, DCA will assist the IJA in completing the survey. The California system consists of a network of informal and affordable county-based mediation centers throughout the state, based on the idea that an impartial mediator can often help adversaries reach a mutually satisfactory settlement. It is hoped that the program will defuse many disagreements which might otherwise end up in an already crowded state court system. (See CRLR Vol. 8, No. 2 (Spring 1988) p. 33.) Presently, seventeen counties participate in the program with a total of 21 funded programs.

DCA Reorganization. The Public Affairs, Complaints Assistance, and Correspondence Divisions of the DCA have been consolidated into one new division entitled the Division of Consumer Services. The new division will be headed up by John C. Lungren, Jr., whose official title is Deputy Director and Chief of Consumer Services.

Dispute Resolution Program. The Dispute Resolution Advisory Council has not yet submitted its final package of



regulations for consideration and formal approval by the Office of Administrative Law concerning the statewide dispute resolution program. The final set of proposed regulations developed pursuant to the Dispute Resolution Programs Act (Business and Professions Code section 465 *et seq.*) is expected to be submitted in the next few months in final form. (See CRLR Vol. 9, No. 2 (Spring 1989) p. 40 for background information.)

LEGISLATION:

AB 1770 (Roos), as amended May 9, would prohibit a consumer credit report or investigative consumer report from containing the following information: (1) the fact that a consumer was represented or assisted by a legal aid, legal services program, or other governmental source; (2) the fact that a consumer was granted a waiver of court or other fees. Currently pending on the Assembly floor, this bill would permit consumers to delegate to any person pursuant to a power of attorney any right provided to consumer under the Consumer Credit Reporting Agencies or the Investigative Consumer Reporting Agencies Act.

AB 1523 (Hansen), as amended May 16, is pending in the Assembly Ways and Means Committee. Existing law provides that funds of one board within the DCA shall not be used to pay expenses of any other board when it will interfere with administrative duties imposed upon such boards. This bill would provide that those provisions shall not prohibit monies from being transferred for a release time bank of any board, commission, or bureau pursuant to memorandum of understanding.

AB 1272 (Eastin) would include among the enumerated powers and duties of the DCA Director the maintenance of contact and liaison with the consumer programs of each state agency. This bill is pending in the Assembly Committee on Governmental Efficiency and Consumer Protection.

AB 459 (Frizzelle), also pending in the Assembly Committee on Governmental Efficiency and Consumer Protection, would provide that any business license issued by a licensing agency within the DCA may be renewed at any time, regardless of length of delinquency, without meeting reexamination requirements if continuing education requirements have been met and all applicable dues are paid.

AB 1578 (Murray) would authorize a landlord to evict a tenant in unlawful detainer proceedings for any controlled substance violation on the rental premises, if the rental agreement prohibits

violations of law on the rental premises. Under the bill, the tenant would also forfeit any security deposit to the landlord in such cases. This bill is pending in the Assembly Judiciary Committee.

AB 1526 (Bentley) is pending in the Assembly Committee on Public Safety. Existing law requires employers of peace officers in the state to establish a procedure to investigate citizen complaints against their personnel and to make a written description of the procedures available to the public. This bill would authorize those investigative procedures to provide for the disclosure to the complainant as to the disposition of those complaints.

AB 1729 (Chandler) is pending in the Assembly Ways and Means Committee. Existing law provides that a board regulating a business or profession may deny, suspend, revoke, or restrict a license on the ground that an applicant or licensee has subverted or attempted to subvert any licensing examination. This bill would make it a misdemeanor for any person to subvert or attempt to subvert any examination, in addition to any disciplinary action that may be authorized. Such person would be held liable for costs incurred by an agency in an amount not to exceed \$10,000 and for the costs incurred for the prosecution, in addition to any other penalties.

AB 1529 (Lancaster), DCA's omnibus legislation which would make numerous technical changes in statutory law affecting specified DCA agencies, is pending in the Assembly Ways and Means Committee.

SB 1078 (Dills) is pending in the Senate Judiciary Committee. Existing law provides that anyone who violates provisions pertaining to unlawful, unfair, or fraudulent business practices is liable for civil penalties not to exceed \$2,500 for each violation recovered in a civil action. This bill would provide that a penalty shall not be assessed against the person if the person has paid fines or penalties or has otherwise settled charges pursuant to a violation of any other civil or criminal law which is based on the same underlying conduct constituting the unfair competition.

The following is a status update of bills discussed in detail in CRLR Vol. 9, No. 2 (Spring 1989) at page 40:

AB 538 (Moore), as amended in April, no longer applies to DCA. The new version of the bill would require an electric or gas corporation proposing to establish a promotional rate, discount, or rebate program for the purpose of competing with another electric or gas

corporation, or with a utility owned by a local governmental entity, to first obtain authorization from the Public Utilities Commission. Provisions appearing in the original version of the bill, which would have required DCA to comply with certain legislative reporting requirements regarding electronic commercial services operations, were deleted.

SB 787 (Rosenthal), pertaining to disclosure requirements in the sale of a used car, is still pending in the Senate Committee on Insurance, Claims and Corporations. This bill would prohibit the sale of a used car by a dealer unless accompanied by an express written warranty covering the full costs of both parts and labor necessary to repair any defect that impairs the motor vehicle's use or safety.

AB 552 (Moore), which would authorize the buyer of a motor vehicle, pursuant to a conditional sales contract or purchase order, to cancel the agreement within three days after signing the agreement, is still pending in the Assembly Committee on Governmental Efficiency and Consumer Protection.

AB 320 (Speier), which would permit the buyer of a dating service or weight loss contract to cancel the contract within three business days after signing, passed the Assembly and is pending in the Senate Judiciary Committee.

AB 718 (Frazee), which would expand the disclosure rights of consumers who lease vehicles, passed the Assembly on June 7 and is pending in the Senate Judiciary Committee.

ASSEMBLY OFFICE OF RESEARCH

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Established in 1966, the Assembly Office of Research (AOR) brings together legislators, scholars, research experts and interested parties from within and outside the legislature to conduct extensive studies regarding problems facing the state.

Under the direction of the Assembly's bipartisan Committee on Policy Research, AOR investigates current state issues and publishes reports which include long-term policy recommendations. Such investigative projects often result in legislative action, usually in the form of bills.

AOR also processes research requests from Assemblymembers. Results of these short-term research projects are confidential unless the requesting legislators authorize their release.